

**San Ignacio Vistas, Inc.**  
**Homeowners Association**  
Regular Board Meeting Minutes  
**September 8, 2003**

There were no homeowners present.

Present: Karl Anderson, Linda Gregory, Arlene Haugan, Vernon Kliewer, Damon Patton  
and Ron Sorenson

The president called the meeting to order at 9:00 a.m. The meeting proceeded using the agenda dated September 8, 2003

1. Reading of the Minutes

The minutes for the August Board Meeting were approved unanimously as distributed.

2. Officer's reports

a. Secretary

In the Secretary's absence the President reported on LMR activities. There were no resales for August. Marianne Bishop and Damon Patton are working on extracting needed labels and reports for our annual meeting using ACCESS software with the extract from the TOPS database provided by LMR.

b. Treasurer's Report - Arlene Haugan

Arlene Haugan presented the current **Balance Sheet** through August. Her *report was accepted* for future audit and is included as "**Attachment A**" to these minutes.

We appear to be on-target and well within our Operating Budget. The Financial Advisor Committee met to consider a proposed budget for 2004. Presently it does not appear there will be a need for a dues increase until possibly 2005.

c. Presiding Officer

- Karl Anderson presented a letter to the board resigning as Vice President due to family health problems. The board accepted his resignation. After being thanked for his past service, Karl dismissed himself from the meeting.
- A letter was received from Arlene Haugan tendering her resignation as chairman of the social committee because of many other obligations. A letter will be sent to the other members of the social committee so that they may elect a new chair. There was a suggestion that we add a list of contact names in the new homeowner packet to generate interest in volunteering for this and other committees.
- The president attended a meeting of CAI (Community Association Institute). The guest speaker was Attorney Carolyn Goldschmidt. Some topics covered included:
  - Establishing policy statement regarding collection of dues (similar to the one we established regarding penalties and fines).
  - Not making public names of homeowners in arrears.
  - We have the right to inform a mortgage company if a homeowner becomes delinquent with their yearly dues.
  - If a home is sold and dues are in arrears, both the seller and buyer are responsible for past dues since it is the buyer's responsibility to research liens. This would be especially true if there is a home sold by the homeowner.
  - There is a new statute that lien filers must have credentials similar to an attorney so it is timely that we took steps to have T. Duncan re-file our liens of record placing SIVHOA in compliance.
- On Sept. 22<sup>nd</sup> there will be a meeting in Tanis Duncan's office to review revisions of the CC&R's.
- The wind damaged street signs have been replaced.

## 3. Committee Reports

## a. Audit Committee—damon Patton

The letter from H&R Block was very late because the auditor had multiple health problems. His report was woefully inadequate as it not did specifically mention operating funds and reserve funds. The committee has suggested improvements to our balance sheet to provide clarity for the board and homeowners, and ease of audit. The **audit committee report was approved unanimously** and is attached to these minutes as **Attachment B**.

We need an audit that reviews reserves as well as the operating funds. We are going to look for a new auditor. It is suggested that we consider Terry Cogan.

## b. Financial Advisory Committee—Vernon Kliewer

Since the board has the right to increase the dues each year based on the CPI (Consumer Price Index), presently 2%, it is suggested that we alert homeowners to this fact and that we increase the dues for 2004 based on the CPI.

## c. Maintenance Committee—Vernon Kliewer

Plans for a "Common Area Beautification Program" were presented. The first part of this plan will cover 5 areas including landscaping for Common Areas located near the intersections of Meadow Ridge & Vista Ridge and all four corners of the intersection formed by Vista Ridge and Sonoran View (Gloria View).

A bid was obtained from Civano Nurseries based on plans drawn for the 5 areas mentioned above. This includes a one-year guarantee on all plants except the Ocotillo. It is imperative that for the first two weeks daily watering be administered, then gradually reduced over a year's time while these plants are established.

The president presented the board members with a Project Request form for this work.

The Board *unanimously ratified the project*, as requested, and the work as contracted. The **Project Request form** is included with these minutes as **Attachment C**.

## 4. New Business

## a. Maintenance Contract

A draft for a New Maintenance Contract for 2004 has been prepared and was presented to the Board for their comment. Minor suggestions were made and this contract will be presented to Felix Landscaping.

## b. Nominating Committee

In light of Karl Anderson's resignation there is a vacancy on the Nominating Committee. Ron volunteered to chair and is to contact the Nominating Committee to start their work in October in preparation for the Annual Meeting.

## c. Election of New Vice President

Linda Gregory was nominated to fill the vacancy for the term of Vice President. Linda accepted the nomination and it was moved and seconded to appoint her to replace Karl.

## 5. Adjournment

With no further business the meeting was adjourned at 10:20 am.

**Required:**

a. Contact Social Committee regarding election of new chair

b. Ron Sorenson to see if our policy statement regarding collection of dues is sufficiently covered by the revision to the CC&R's

c. President to obtain GAP publications from CAI

d. Arlene will present an honorarium of \$25 to the GVR staff person (Rod) who sets up our monthly meetings (Arlene will be reimbursed by the Association.)

e. Board members are to continue studying the draft of revision to CC&R's for the next board meeting.

Approved by the Board on October 6, 2003.

/s/

Marianne M. Bishop, Secretary

## ATTACHMENT A'

**SAN IGNACIO VISTAS, INC  
HOMEOWNERS ASSOCIATION**

**Balance Sheet\***

9/2/2003

<b>ASSETS</b>	
Checking/Savings	\$ 23,189.76
Capital Reserves	\$ 162,499.92
Nonannual Maintenance Fund	\$ 5,147.61
<b>Total</b>	<b>\$ 190,837.29</b>
<b>LIABILITIES</b>	
Operating Fund--budgeted	\$ 18,997.13
Capital Reserves	\$ 162,499.92
Nonannual Maintenance Fund	\$ 5,147.61
<b>Total</b>	<b>\$ 186,644.66</b>

**Income/Expense Statement\***

9/2/2003

<b>Income</b>	<b>\$ 69,198.88</b>
<b>Expense</b>	<b>\$ 50,201.75</b>
<b>BALANCE</b>	<b>\$ 18,997.13</b>

\*Subject to audit.

## 'ATTACHMENT B'

San Ignacio Vistas Inc.  
Audit Committee Meeting  
August 25, 2003

Members Present: Vernon Kliewer, Arlene Haugan, Damon Patton  
Absent: Ed Wisemeyer

## Agenda:

- Audit of 2002 Operations and Letter
- Initial Audit of 2003 Operations and Reserves
- Suggestions for 2004

The Audit Committee met at 2:00 PM at 4708 S King Arthur Court, with its primary objective to review 2002 Operations and the very late letter from H&R Block concluding their audit of San Ignacio Vistas operations for 2002. The committee, by unanimous approval, accepted the letter with a major reservation that this letter did not refer to any specific account (Operations or Reserves), and also unanimously approved its presentation to the Board of Directors at their next regular board meeting. That letter is attached to and made a part of these minutes of the Audit Committee meeting of August 25, 2003.

In addition, for the audit scheduled for 2003 accounting activity, the committee unanimously agreed that the audit should include both Operations and Reserves accounts and auditor comments on Reserves funding and apportionment.

The committee independently reviewed the 2002 Operations and transaction log, and concurred with Madam Treasurer's manner of handling the transfers from the various Operating and Reserve accounts. As a committee, we unanimously agreed that additional copies of the money transfers would provide a stronger audit trail – should it ever be necessary.

Ms. Haugan stated that the transaction logs and bank statements for both Operations and Reserves for 2003 are in balance at this time. Mr. Patton was in agreement, and stated that he had reviewed both recently.

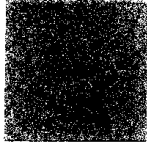
Dr. Kliewer presented suggestions for an improved Balance Sheet, to be produced monthly for the Board, and for a restructuring of the Budget accounts for 2004. As a committee, we unanimously agreed that these suggestions would simplify both reporting to the Board and to the Association Members. Dr. Kliewer will present these to the Board for its approval.

At the request of Dr. Kliewer and Ms. Haugan, Mr. Patton will do a search for a new auditor and tax preparer for the Association for 2004, and report on that search to the committee as soon as practical.

The meeting was adjourned at 3:15 PM.



damon Patton  
Acting Secretary



**H&R BLOCK**  
premium

tax, mortgage and financial services

AUGUST 13,2003

BOARD OF DIRECTORS  
SAN IGNACIO VISTAS INC  
GREEN VALLEY AZ 85614

GENTLEMEN:

I HAVE AUDITED THE BOOKS OF SAN IGNACIO VISTAS INC AS OF DECEMBER 31,2002, AND THE RELATED STATEMENTS OF REVENUE, EXPENSES AND CHANGE IN FUND BALANCES AND CASH FLOW FOR THE YEAR ENDED. THESE FINANCIAL STATEMENTS ARE THE RESPONSIBILITY OF THE CORPORATION. MY RESPONSIBILITY IS TO EXPRESS AN OPINION ON THESE FINANCIAL STATEMENTS BASED ON MY AUDIT.

IN MY OPINION THE FINANCIAL STATEMENTS REFERRED TO ABOVE PRESENT FAIRLY, IN ALL MATERIAL RESPECTS THE FINANCIAL POSITION OF THE SAN IGNACIO VISTAS INC, AS OF DECEMBER 31,2002.

MY AUDIT WAS MADE FOR THE PURPOSE OF FORMING AN OPINION ON THE BASIC FINANCIAL STATEMENTS TAKEN AS A WHOLE. SUCH INFORMATION HAS BEEN SUBJECTED TO AUDITING PROCEDURES APPLIED IN THE AUDIT OF THE BASIC FINANCIAL STATEMENTS AND IN MY OPINION, THE INFORMATION IS FAIRLY STATED IN ALL MATERIAL RESPECTS IN RELATION TO THE BASIC FINANCIAL STATEMENTS TAKEN AS A WHOLE.

SINCERELY YOURS

A handwritten signature in cursive script, appearing to read "Marvin R Kreider".

MARVIN R KREIDER  
PRESIDENT  
MRKCO INC DBA H & R BLOCK GREEN VALLEY

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Tel: 520-625-8732 Fax: 520-625-0042 mkreider@hrblock.com www.hrblock.com

**San Ignacio Vistas  
Reserve Funds Project Request**

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: *Vernon Kliewer, President/Chair, MC*

PROJECT DESCRIPTION:

Describe the project. (List what the project and where/what will be impacted.)  
Landscaping for Common Areas located near the intersections of Meadow Ridge & Vista Ridge and all four corners of the intersection formed by Vista Ridge and Sonoran View (Gloria View)

LIFE EXPECTANCY:

What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: *Lifetime of plants*

Minimum: *5 years, estimated.*

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: *\$1,000.00*

Minimum Cost: *\$599.16*

What could cause the costs to increase or decrease from the estimate?

Including additional vegetation.

ESTIMATED TIME TO COMPLETE

What is the estimated length of time to complete the project? Unknown at this time; probably no more than one or two days

What is the expected start date? As soon as it can be scheduled by the vendor

PROPOSED VENDOR(S):

Who is(are) the proposed vendor(s)? *Civano Nurseries*

How was the vendor selected?

Experience, reputation, licensed vendor, ownership of equipment and total estimated cost of the interim projects

Which other vendors were considered? *None*

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FOR BOARD USE: Reserve Category to be charged: Revegetation

Actual cost: \_\_\_\_\_ Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

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